

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et*
al.,

Debtors. ¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

JOINT MOTION TO INFORM REGARDING PARTIAL TRANSFER OF CLAIM

SPCP Group, LLC, SPCP Institutional Group, LLC, and SPCP Access Holdings, LLC (collectively, “SPCP”), and AmeriNational Community Services, LLC (“AmeriNat” and, along with SPCP, “Movants”) as servicer for the GDB Debt Recovery Authority (the “DRA”), who is authorized to pursue and enforce the DRA’s rights and remedies in any legal proceeding, including the DRA’s participation as a creditor in the Title III Case (as defined herein), by and through their respective undersigned legal counsel, respectfully inform the Court as follows:

1. On May 3, 2017, the Commonwealth, by and through the Financial Oversight and

¹ The Debtors in these title III cases, along with each Debtor’s respective title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566(LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801).

Management Board for Puerto Rico, as the Commonwealth's representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* ("PROMESA"), filed a petition with the United States District Court for the District of Puerto Rico (the "Court") under title III of PROMESA (the "Title III Case").

2. On or about May 25, 2018, the Government Development Bank for Puerto Rico (the "GDB") filed Proof of Claim No. 29485 in the amount of \$2,231,033,108.00 (the "GDB Proof of Claim") in the Title III Case.

3. On August 10, 2018, the GDB and the Puerto Rico Fiscal Agency and Financial Advisory Authority filed an application with the Court pursuant to Section 601(M)(1)(D) of PROMESA for approval of a qualifying modification with respect to GDB's financial indebtedness (the "Qualifying Modification"), commencing Civil Case No. 18-01561 (LTS) (the "Title VI Case"). *See* Title VI Case, Dkt. No. 1. On November 7, 2018, the Court entered an order certifying the Qualifying Modification (the "Certification Order"). *See* Title VI Case, Dkt. No. 270. On November 29, 2018, the Closing Date (as defined in the Certification Order) occurred. *See* Title VI Case, Dkt. No. 276.

4. As a result of the Qualifying Modification, on the Closing Date the GDB assigned and transferred to the DRA all right, title, and interest in certain assets to the DRA, consisting of not less than \$527,581,425.65 of claims on account of certain loans, notes, and other obligations (the "DRA Loan Assets"). As a result thereof, a portion of the GDB Proof of Claim was transferred to the DRA (the "DRA Proof of Claim"). *See Joint Motion to Clarify Transfer of Claim*, Dkt. No. 5628, Exh. A.

5. The DRA Loan Assets include, but are not limited to, that certain Loan Agreement, dated as of July 2, 2012, by and between the Commonwealth, as borrower, and the GDB, as lender,

and the associated Public Improvement Refinancing Notes, Series 2012 B-2 issued by the Commonwealth in connection therewith (as amended, amended and restated, supplemented, or otherwise modified from time to time, the “2042 Loan”), in the aggregate principal amount of not less than \$63,135,000.00, plus all accrued and unpaid interest, fees and other amounts that may be owing on account of the 2042 Loan under applicable law (all such amounts, collectively, the “2042 Loan Claim”).

6. On March 15, 2021, the DRA sold, transferred, and assigned to SPCP all of its rights, title, and interest in the 2042 Loan, as well as that portion of the DRA Proof of Claim that pertains to the 2042 Loan Claim, as set forth in **Exhibit A** hereto. As a result of the sale of the 2042 Loan Claim, Movants request that the DRA Proof of Claim be divided among SPCP and the DRA as reflected in **Exhibit B** and **Exhibit C** hereto.

WHEREFORE, pursuant to Rule 3001(e) of the Federal Rules of Bankruptcy Procedure, Movants respectfully request that the Court take notice of the foregoing.

[Remainder of page intentionally left blank]

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 26 day of March, 2021.

MCCONNELL VALDÉS LLC

By: /s/ Nayuan Zouairabani
Nayuan Zouairabani
USDC No. 226411
270 Muñoz Rivera Avenue, Suite 7
Hato Rey, Puerto Rico 00918
PO Box 364225
San Juan, Puerto Rico 00936-4225
Telephone: 787-250-5632
Facsimile: 787-759-9225
Email: nzt@mcvpr.com

*Counsel to AmeriNational Community
Services, LLC as servicer for the GDB Debt
Recovery Authority*

MORRISON & FOERSTER LLP

By: /s/ James A. Newton
James A. Newton (admitted *pro hac vice*)
250 West 55th Street
New York, New York 10019
Telephone: (212) 468-8000
Facsimile: (212) 468-7900
jnewton@mofo.com

*Counsel to SPCP Group, LLC, SPCP
Institutional Group, LLC, and SPCP Access
Holdings, LLC*

WE HEREBY CERTIFY that on this same date, we electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all CM/ECF participants in this case. We further certify that, on this same date, we served the foregoing upon all the Standard Parties as identified and defined at ¶ II(A) of the Court's *Fourteenth Amended Notice, Case Management and Administrative Procedures Order* (Dkt. No. 15894-1).

Exhibit A

EXHIBIT A

EVIDENCE OF PARTIAL CLAIM TRANSFER

TO: United States District Court for the District of Puerto Rico (the “**Title III Court**”)
Attention: Clerk

AND TO: The Federal Oversight and Management Board for Puerto Rico, as representative of the
Commonwealth of Puerto Rico (the “**Debtor**”)
Case No. 17-3283 (LTS) (the “**Case**”)

Proof of Claim No.: 29485

The GDB Debt Recovery Authority, its successors and assigns (“**Seller**”), for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, does hereby unconditionally and irrevocably sell, transfer and assign unto SPCP GROUP, LLC, SPCP Institutional Group, LLC, and PCP Access Holdings, LLC, and their successors and assigns (“**Buyers**”), all rights, title and interest in and to the claim of Seller relating to the Loan Asset Documents (as defined below), including all rights of stoppage in transit, replevin and reclamation, in the principal amount of \$63,135,000.00 *plus* all accrued and unpaid interest, fees and other amounts that may be owing under the Loan Asset Documents and applicable law (“**Claim**”), against the Debtor in the Case before the Title III Court, or any other court with jurisdiction over the Case.

The “**Loan Asset Documents**” mean that certain Loan Agreement, dated as of July 2, 2012, as amended, amended and restated, supplemented, or modified from time to time, by and between the Commonwealth of Puerto Rico (the “**Commonwealth**”), acting through the Secretary of the Treasury of Puerto Rico, as Borrower, and GDB, as Lender, and the associated Public Improvement Refinancing Notes, Series 2012 B-2, issued by the Commonwealth in connection therewith (together with all other documents or instruments executed or delivered pursuant thereto, collectively, the “**Loan Asset Documents**”).

Seller hereby waives any objection to the transfer of the Claim to Buyers on the books and records of the Debtor and the Title III Court, and hereby waives to the fullest extent permitted by law any notice or right to a hearing as may be imposed by Rule 3001 of the Federal Rules of Bankruptcy Procedure, the Bankruptcy Code, PROMESA, applicable local rules or applicable law. Seller acknowledges and understands, and hereby stipulates that an order of the Title III Court may be entered without further notice to Seller transferring to Buyers the Claim and recognizing Buyers as the sole owners and holders of the Claim.

You are hereby directed to make all future payments and distributions, and to give all notices and other communications, in respect of the Claim to Buyers.

IN WITNESS WHEREOF, the undersigned has duly executed this Evidence of Partial Claim Transfer by its duly authorized representative dated March 15, 2021.

GDB DEBT RECOVERY AUTHORITY


By: AmeriNational Community Services,
LLC, as its attorney-in-fact

By: 

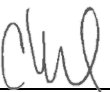
Name: Adrienne Thorson

Title: Chairwoman and CEO

SPCP GROUP, LLC

By: 
Name: Chris Wahl
Title: Authorized Signatory

SPCP Institutional Group, LLC

By: 
Name: Chris Wahl
Title: Authorized Signatory

SPCP Access Holdings, LLC


By: 
Name: Chris Wahl
Title: Authorized Signatory

Exhibit B

Portion of the DRA Proof of Claim Transferred to SPCP¹
(as of March 15, 2021)

Loan Asset	Loan ID	Outstanding Principal (as of 11/29/2018)²	Maturity	Holder
Government of Puerto Rico – General Obligation Loan	20001721500100348	\$63,135,000.00	June 30, 2042	SPCP
<i>TOTAL</i>		<i>\$63,135,000.00</i>		

¹ The information contained in this **Exhibit B** with respect to the ownership, principal balance, maturity date, and other characteristics of the DRA Loan Assets is based on information provided by counsel to the DRA, and SPCP makes no representations as to the accuracy thereof.

² Represents the estimated principal balance after giving effect to certain closing date adjustments.

Exhibit C

**Portion of the DRA Loan Assets Included in the DRA Proof of Claim
to be Retained by the DRA¹
(as of March 15, 2021)**

Loan Asset	Loan ID	Outstanding Principal (as of 11/29/2018)	Maturity	Holder
Government of Puerto Rico – General Obligation Loan	20001721500100347	\$21,095,309.51	June 30, 2041	DRA
Government of Puerto Rico – General Obligation Loan	20001721500100353	\$50,419,093.00	June 30, 2043	DRA
Government of Puerto Rico – General Obligation Loan	20001721500100356	\$34,788,635.25	June 30, 2043	DRA
APLA Bonds – Ports Bonds	Port of the Americas	\$225,533,700.45	January 1, 2045	DRA
<i>TOTAL</i>		<i>\$331,836,738.21</i>		

¹ The information contained in this **Exhibit C** with respect to the ownership, principal balance, maturity date, and other characteristics of the DRA Loan Assets is based on information provided by counsel to the DRA, and SPCP makes no representations as to the accuracy thereof.